

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 02918 201741Z

17

ACTION NEA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 OMB-01

AID-05 EB-07 TRSE-00 CIEP-01 COME-00 /068 W

----- 020216

R 201541Z MAR 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 2841

INFO AMEMBASSY JIDDA

AMEMBASSY KUWAIT

LIMITED OFFICIAL USE CAIRO 2918

FROM MAESTRONE

E.O. 11652: NA

TAGS: USECJC, EINV, EGEN, EG

SUBJECT: JWG: ECONOMIC AND FINANCIAL COOPERATION: INVESTMENT LAW,
REGULATIONS AND GUIDE

REF: A. CAIRO 2873 B. CAIRO 2742

1. IN MARCH 18 MINI-JWG MEETING (REFTEL A) MINECONCOOP
AMIN REPORTED THAT SECOND TRANSLATION (FIRST WAS
INADEQUATE) OF IMPLEMENTING REGULATIONS FOR INVESTMENT
LAW SHOULD BE READY IN ABOUT A WEEK. HE ANTICIPATES
THAT ANOTHER FOUR WEEKS WILL BE REQUIRED BEFORE DISTRI-
BUTION IS POSSIBLE. HE ALSO EXPECTS THAT MODEL CORPORATE
STATUTES TO BE USED BY FIRMS MAKING INVESTMENTS, WHICH
HAVE BEEN APPROVED BY PRIMIN, WILL ALSO BE READY FOR DIS-
TRIBUTION AT SAME TIME.

2. IT WAS AGREED THAT GOE WOULD TAKE RESPONSIBILITY FOR
PROVIDING ITS EMBASSY IN WASHINGTON WITH SUFFICIENT
COPIES TO ENABLE USDOC TO PLACE THEM IN FIELD OFFICES.
DR. AHMED EFFAT, WHO WE ANTICIPATE WILL SHORTLY BE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 02918 201741Z

NAMED EGYPTIAN CO-CHAIRMAN OF JOINT BUSINESS CHAMBER

(JBC), WILL ALSO CALL UPON JBC TO ASSIST IN
DISTRIBUTING DOCUMENTS.

3. INVESTMENT GUIDE, ON BASIS OF TABLE OF CONTENTS
WHICH AMIN READ ALOUD FROM DRAFT, WILL BE COMPREHENSIVE
AND USEFUL DOCUMENT. FORD FOUNDATION, WHICH PROVIDED
ADVICE AND ASSISTANCE IN PREPARATION, APPEARS TO HAVE
MADE CONSIDERABLE EFFORT COVER ALL ASPECTS OF POTENTIAL
INTEREST TO INVESTORS.

4. FINANCING OF PRINTING OF GUIDE EVIDENTLY REMAINS TO
BE SETTLED SINCE FORD HAS EVIDENTLY ADVISED IT CANNOT
PROVIDE REQUIRED FUNDS. AMIN FIRST ASKED WHETHER GUIDE
MIGHT NOT BE PRINTED IN US WITH COSTS COVERED BY AID.
WHEN AID DIR INDICATED WILLINGNESS TO EXPLORE THIS
POSSIBILITY BUT OBSERVED THAT THERE MIGHT BE CONSIDERABLE
DELAY INVOLVED, THERE WAS GENERAL AGREEMENT GOE SHOULD
SEEK OTHER ARRANGEMENTS. EGYPTIAN SIDE THEN CONSIDERED
MAKING EFFORT TO PERSUADE FOREIGN BANKS (PRIMARILY
AMERICAN) OPERATING IN EGYPT TO SHARE COSTS IN RETURN
FOR RECEIVING CERTAIN NUMBER OF BOOKLETS PRINTED WITH
COMPANY LOGO ON COVER.

5. AN ADDITIONAL GUIDE IS BEING PREPARED WHICH WILL
CONTAIN PERTINENT INFORMATION FROM ALL LAWS TO WHICH
REFERENCE IS MADE IN LAW NO. 43/ LABOR, HEALTH, TAXES,
ETC. THIS LEGAL GUIDE IS ALSO APPARENTLY CLOSE TO PUBLICATION.

6. ON ANOTHER QUESTION OF PRIME INTEREST TO INVESTORS,
NAMELY TRANSFER OF PROFITS, AMIN SAID GOE
AUTHORITIES WERE KEENLY AWARE OF QUESTION OF DISINCENTIVE
WHICH WOULD RESULT IF INVESTMENT MONEY WERE BROUGHT IN
AT OFFICIAL RATE (\$2.55 - L.E. 1.00) AND PROFITS
TRANSFER ALLOWED ONLY AT PARALLEL MARKET RATE (\$1.70 -
L.E. 1.00). AMIN REPEATED INFO PROVIDED REFTEL B RE
CURRENT GOVT. CONSIDERATION THIS PROBLEM, BUT OPINED
THAT ONLY LOGICAL CONCLUSION WAS TO SELECT EITHER ONE
RATE OR THE OTHER FOR ALL TRANSACTIONS.

7. AMIN ADDED AS INCIDENTAL INFORMATION THAT MEMBERS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CAIRO 02918 201741Z

OF EGYPTIAN SIDE OF JOINT BUSINESS CHAMBER HAD BEEN
SELECTED AND NAMES WOULD BE COMMUNICATED SHORTLY TO EMBASSY
BY LETTER FROM PRIME MINISTER OR HIMSELF. HE CONFIRMED
EFFAT WAS TO BE EGYPTIAN CO-CHAIRMAN.
EILTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, INVESTMENT LAW
Control Number: n/a
Copy: SINGLE
Draft Date: 20 MAR 1975
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: johnsorg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO02918
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750098-0913
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750333/aaaabdtj.tel
Line Count: 112
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 CAIRO 2873, 75 CAIRO 2742
Review Action: RELEASED, APPROVED
Review Authority: johnsorg
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUL 2003 by KelleyW0>; APPROVED <02 DEC 2003 by johnsorg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JWG: ECONOMIC AND FINANCIAL COOPERATION: INVESTMENT LAW, REGULATIONS AND GUIDE
TAGS: EINV, EGEN, US, EG, USEGJC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006